

fsQCA in Management research

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Published version

MOSTAFIZ, Md Imtiaz (2020). fsQCA in Management research. In: Business, Law and Management at the Post-Pandemic Era: An International e-Conference, Malaysia, 11 Jul 2020 - 11 Aug 2020. Taylor's University.

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The background of the slide is a grayscale image of a document page. The page contains the text 'Laplace Transform' and the mathematical formula $F(p) = \int_0^{\infty} e^{-pt} f(t) dt$. The text and formula are slightly blurred, giving a sense of depth. The formula is the central focus of the top half of the slide.
$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt$$

*fs*QCA in Management Research

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What is *fsQCA*

Laplace-Trans
$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt,$$

- fsQCA (fuzzy-set qualitative comparative analysis) is a statistical technique for investigating complex configurations of constructs (Ragin, 2009).
- It performs a systematic cross-case analysis that models relations among variables in pertaining to set membership and identifies configurations that reflect the *sufficient conditions* for an outcome of interest.

fsQCA cont.

Laplace-Trans
$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt,$$

- Organizational phenomena are complex; the conventional reductionist analytical strategy results in lost information and critical strategic determinants to performance to be omitted due to reductionist symmetrical analysis (Drazin et al., 1985).
- Multiple regression analysis and structural equation modeling adopt symmetric thinking typical of net effects estimation approaches.
- Reductionist and bivariate models overlook the assumptions of *equifinality* and underestimate the effects of small changes which challenge organizational phenomena (Fiss, 2007).

What is *equifinality*?

Laplace-Trans
$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt,$$

- Equifinality assumes that multiple paths to a desired outcome may co-exist and not the one and only model (Fiss, 2007).
- These paths reflect one of fsQCA's principles and merits compared to symmetric quantitative approaches.
- fsQCA can identify several equifinal combinations of conditions that are sufficient to produce a given outcome of interest (Chang & Cheng, 2014).

Theoretical grounding

Laplace-Trans
$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt$$

- Configuration theory embraces equifinality (Drazin & Van de Ven, 1985).
- It richly describes organizations, revealing their complex, gestalt, and systematic nature as well as avoiding “excessive aggregation” and “aiding prediction” of important outcomes such as firm performance (Miller, 1987, p. 686)

Assumptions of *fsQCA*

Laplace-Trans
$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt,$$

1. Comparative study
2. Presence of asymmetrical relationships

What is Asymmetrical relationships?

- Symmetrical relationship: When X variable changes then it will symmetrically effect Y.
- Asymmetrical relationship: when a substantial numbers of cases display relationships that are contrary to the main effect of an antecedent on an outcome variable (Woodside, 2014).
- To identify asymmetrical relationships, a cross-tabulation could be performed.

Sample of cross-tabulation analysis

Construct / Quintile		Firm performance					Total count	Effect size
		1	2	3	4	5		
Foreign business knowledge	1	0	4	0	1	0	5	0.116
	2	5	9	3	0	3	20	
	3	2	14	25	30	4	75	
	4	0	6	4	26	3	39	
	5	0	0	3	16	20	39	
Total count		7	33	35	73	30	178	
Foreign institutional knowledge	1	1	0	2	0	0	3	0.152
	2	6	11	5	7	1	30	
	3	0	20	23	31	9	83	
	4	0	1	4	12	0	17	
	5	0	1	1	23	20	45	
Total count		7	33	35	73	30	178	
Internationalisation knowledge	1	0	2	1	2	2	7	0.104
	2	5	6	3	4	1	19	
	3	2	17	14	21	8	62	
	4	0	7	15	39	10	71	
	5	0	1	2	7	9	19	
Total count		7	33	35	73	30	178	
Opportunity exploration capability	1	0	2	1	0	0	3	0.118
	2	5	5	3	1	1	15	
	3	2	22	25	16	7	72	
	4	0	4	6	43	2	55	
	5	0	0	0	13	20	33	
Total count		7	33	35	73	30	178	
Opportunity exploitation capability	1	0	2	0	1	1	4	0.184
	2	2	4	5	6	5	22	
	3	4	18	7	26	7	62	
	4	1	9	22	38	15	85	
	5	0	0	1	2	2	5	
Total count		7	33	35	73	30	178	

Performing *fsQCA*

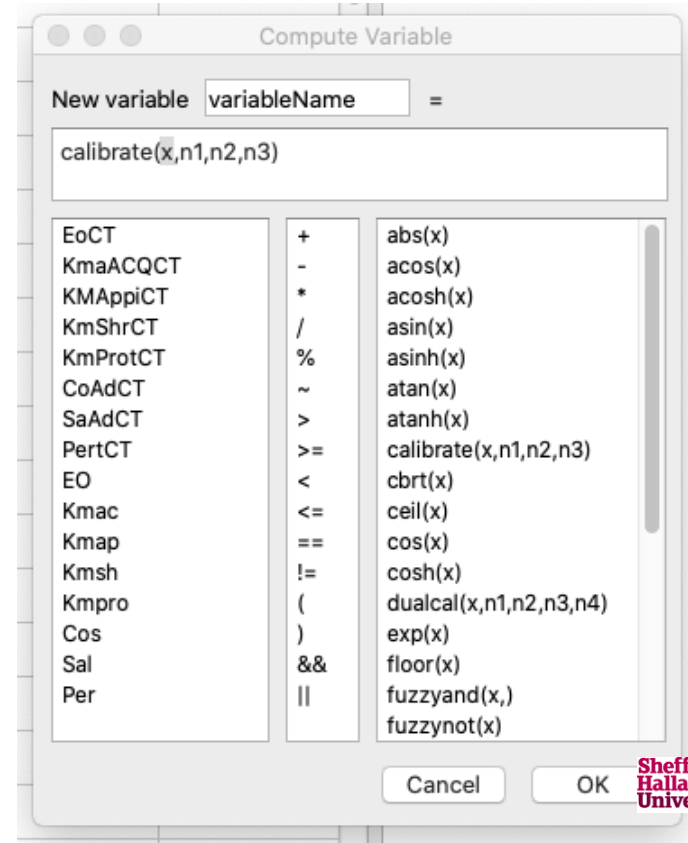
Laplace-Trans
$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt,$$

- Calibrate the original data to fuzzy membership score ranging from 0.00 to 1.00; where the non-membership score represents 5%, cross-over anchors are 50%, and the full-membership score represents 95% of the value .
- This process could be carried out by using *fsQCA 3* software

Data Calibration process

Laplace-Trans
$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt$$

1. Put variable name:
2. Select calibrate option from right-hand-side.
3. X represents original value
4. n1 is full-membership (0.95)
; n2 is cross-over point (0.5
0) and n3 reflects non-mem
bership is (0.05).



Calibrated score

Laplace-Trans

$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt$$

EO	Kmac	Kmap	Kmsh	Kmpro	Cos	Sal	Per
0.05	0.05	0.05	0.2	0.19	0.05	0.21	0.05
0.05	0.05	0.05	0.2	0.19	0.64	0.84	0.05
0.05	0.05	0.36	0.05	0.53	0.26	0.21	0.24
0.05	0.05	0.36	0.2	0.05	0.26	0.21	0.05
0.05	0.05	0.36	0.2	0.19	0.26	0.21	0.05
0.05	0.42	0.05	0.2	0.05	0.26	0.21	0.05
0.05	0.42	0.36	0.05	0.05	0.26	0.05	0.05
0.18	0.05	0.05	0.2	0.19	0.05	0.21	0.05
0.18	0.05	0.05	0.2	0.53	0.26	0.57	0.05
0.18	0.05	0.36	0.05	0.05	0.26	0.21	0.05
0.18	0.05	0.36	0.05	0.19	0.05	0.21	0.24
0.18	0.05	0.36	0.05	0.19	0.26	0.21	0.05
0.18	0.42	0.05	0.05	0.05	0.26	0.05	0.05
0.18	0.42	0.05	0.2	0.05	0.05	0.21	0.24
0.18	0.42	0.05	0.2	0.19	0.05	0.95	0.05

Truth table algorithm

Laplace-Trans
$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt$$

Select Variables

variables

- KMAppCT
- KmShrCT
- KmProtCT
- CoAdCT
- SaAdCT
- PertCT
- EO
- Kmac
- Kmap
- Kmsh
- Kmpro
- Cos
- Sal**

Set

Set Negated

Add

outcome

Per

causal conditions

☐ Show solution cases in output

EoCT

Reset Cancel OK

Truth table algorithm

$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt$$

Delete current row
Delete current row to last row
Delete first row to current row
Delete and code... %D
Start Dictation fn fn
Emoji & Symbols ^%Space

Edit Truth Table										
	Kmsh	Kmpro	Cos	Sal	number	Per	raw consist.	PRI consist.	SYM consist	
	0	0	0	0	15 (10%)		0.597801	0.101951	0.101951	
	0	0	0	0	15 (20%)		0.757036	0.2042	0.204201	
	1	1	1	1	14 (30%)		0.971608	0.928238	0.928239	
1	0	0	0	0	8 (35%)		0.931349	0.537218	0.537217	
1	0	0	0	0	7 (40%)		0.812104	0.289984	0.289985	
1	0	1	1	0	6 (44%)		0.89811	0.291969	0.291971	
1	0	1	1	0	6 (48%)		0.906159	0.466666	0.466667	
0	0	0	0	1	6 (52%)		0.792631	0.363158	0.363158	
1	1	0	1	1	6 (56%)		0.965111	0.872111	0.872111	
1	1	1	1	0	5 (60%)		0.897506	0.390836	0.39945	
1	1	1	1	0	5 (63%)		0.966837	0.86219	0.931297	
1	1	0	1	0	5 (67%)		0.929754	0.627078	0.627079	
1	0	0	0	1	5 (70%)		0.872977	0.471427	0.471429	
1	0	0	1	1	4 (73%)		0.945619	0.711998	0.712001	
1	0	1	1	0	3 (75%)		0.949835	0.637449	0.63745	
1	1	1	1	0	3 (77%)		0.945714	0.70235	0.741047	
1	0	1	1	1	3 (79%)		0.968297	0.837912	0.837911	
1	1	0	1	0	2 (80%)		0.940712	0.584617	0.584617	
0	0	1	1	0	2 (82%)		0.867483	0.233037	0.233037	
1	0	0	0	0	2 (83%)		0.86283	0.339491	0.339492	
1	0	0	0	1	2 (84%)		0.890695	0.38843	0.38843	
1	0	1	0	1	2 (86%)		0.933828	0.488987	0.488987	

Reset Cancel Specify Analysis Standard Analyses

Performing *fsQCA*

$$\text{Laplace-Trans} \\ F(p) = \int_0^{\infty} e^{-pt} f(t) dt$$

Edit Truth Table

EO	KmAcq	KmApl	KmSha	Kmpro	number	Perf	raw consist. ▾
0	1	0	1	1	3	1	0.990596
0	1	1	1	1	24	1	0.98442
1	1	0	1	1	1	1	0.978312
0	1					1	0.974403
1	1					1	0.972275
1	1					1	0.968551
0	0					1	0.964655
0	1					1	0.962808
0	1					1	0.9626
1	1					1	0.960519
1	0					1	0.959333
0	1					1	0.956276
1	1					1	0.944015
0	0					1	0.928153
1	1	0	0	0	4	1	0.910815
0	0	0	1	0	8	1	0.896789
1	0	1	1	0	1	1	0.870525

Intermediate Solution

Should contribute to Perf when cause is:

Causal Conditions:	Present	Absent	Present or Absent
EO	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
KmAcq	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
KmApl	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
KmSha	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Kmpro	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Cancel OK

Reset Cancel Specify Analysis Standard Analyses

fsQCA results

Laplace-Trans
$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt,$$

- Three different outputs as complex solutions, parsimonious solutions and intermediate solutions are produced by the standard analysis.
- The most acknowledged solution in management research is the intermediate solution, as it has the superiority over parsimonious and complex solutions (Cheng et al., 2013; Hervas-Oliver, Sempere-Ripoll, & Arribas, 2015).

fsQCA results

Laplace-Transform

$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt$$

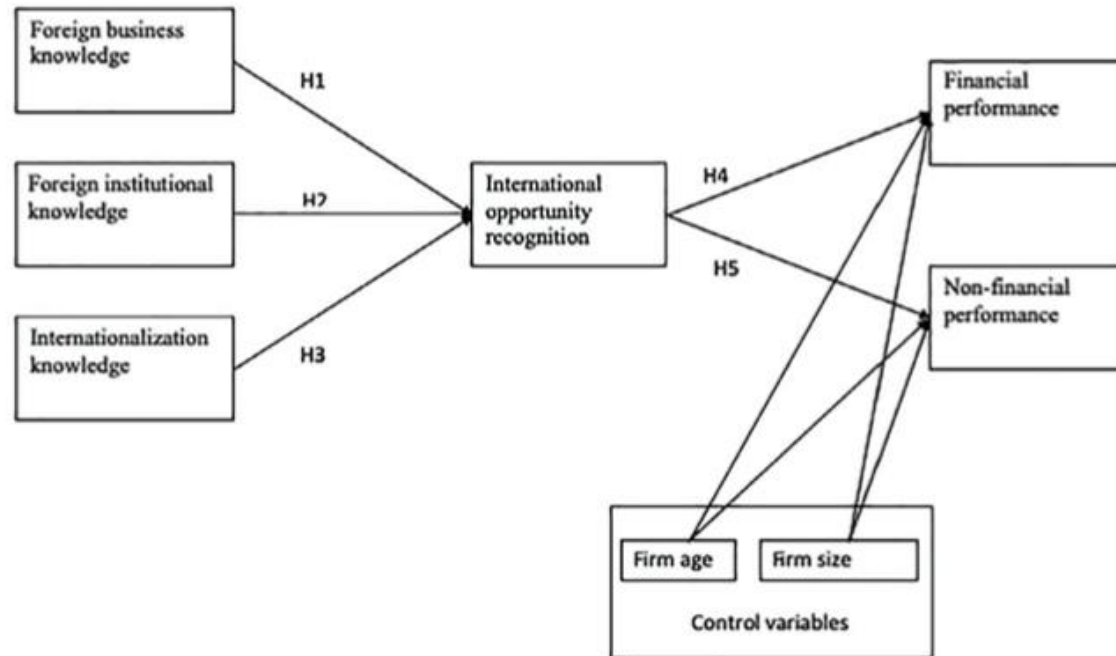
	Path	FBK	FIK	IK	<u>OExC</u>	OEC	Raw coverage	Unique coverage	Consistency	Solution coverage	Solution consistency
Young firms (n= 178)	1a	●	●		●		0.418495	0.043696	0.941428	0.825031	0.764683
	2a	●	○	○	○	○	0.327974	0.027881	0.851836		
Mature firms (n= 194)	1b	○	●	●	○	●	0.415412	0.0691722	0.970661		
	2b	○		○	●	○	0.305142	0.0076386	0.817973	0.849855	0.72854
	3b	●	○	○	●	●	0.365175	0.0088377	0.899738		

Legends: FBK: foreign business knowledge, FIK: foreign institutional knowledge, IK: internationalisation knowledge, OExC: opportunity exploration capability, OEC: opportunity exploitation capability. '●' represent full membership; '○' represent partial membership, and 'blank' represent null membership

Framework and differences

Laplace-Transform
$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt$$

FIGURE 1 Conceptual framework



fsQCA framework

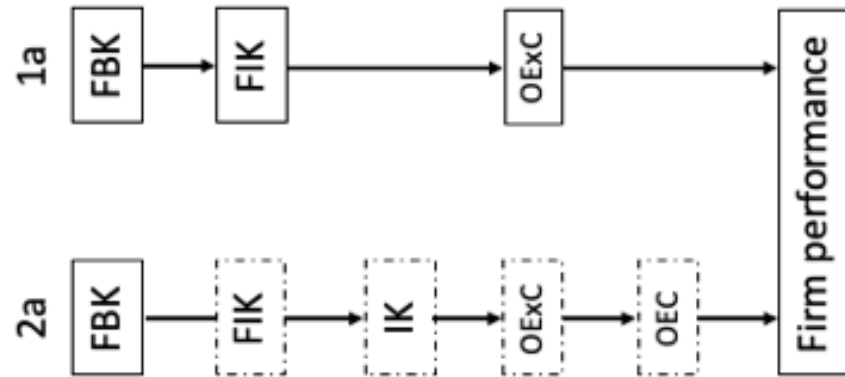


Figure 1 Configurational paths for young firms

□ represents partial membership and □ represents full membership

Legends: FBK: foreign business knowledge, FIK: foreign institutional knowledge,

IK: internationalisation knowledge,

OExC: opportunity exploration capability, OEC: opportunity exploitation capability.

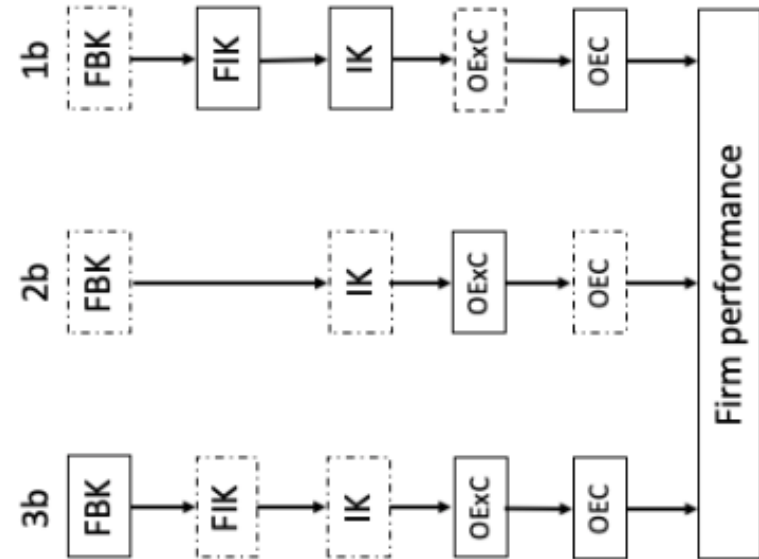


Figure 2 Configurational paths for mature firms

□ represents partial membership and □ represents full membership

Legends: FBK: foreign business knowledge, FIK: foreign institutional knowledge,

IK: internationalisation knowledge,

OExC: opportunity exploration capability, OEC: opportunity exploitation capability.

Limitations of *fsQCA*

Laplace-Trans
$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt,$$

- Generalizability issue
- Sufficiency not necessity
- To mitigate the limitation of necessity, we should perform necessary condition analysis.

Laplace-Trans

$$F(p) = \int_0^{\infty} e^{-pt} f(t) dt,$$

Thank you